

## **WHAT DOES IT MEAN THAT MY BUSINESS ENTITY IS “NOT IN GOOD STANDING” OR “FORFEITED”, AND WHAT STEPS DO I HAVE TO TAKE TO CORRECT THIS SITUATION?**

- Check the status of any business entity by clicking “[Business Data Search](#)” from the SDAT home page, and further clicking on “General Information” when the entity’s name is displayed.
- “**Not in Good Standing**” means the entity has not filed the current year’s Annual Report/Personal Property Return or it owes a late filing penalty.
- “**Forfeited**” means the “legal existence” of the entity has been relinquished and it is usually for failing to make required Annual Report/Personal Property Return filings for prior years.
- See the reason why an entity has been “forfeited” by clicking on the “Amendments” column heading on the page alphabetically listing the entity’s name.
- You correct the “Not in Good Standing” status by filing with the Department the missing Annual Report/Personal Property Return and pay the \$300 filing fee. The combined Personal Property Annual Report (Form 1) for prior years can be downloaded from the website by clicking on “[Forms and Applications](#)” on the dark blue banner near the top of the page.
- There are four steps for any entity to correct the “forfeited” status:
  - (1) File all missing Annual Reports/Personal Property Returns for every year and pay the \$300 annual filing fee for each year;
  - (2) Pay the local county/city government’s personal property tax bill for any reported property after the Department has sent an assessment notice to the local government;
  - (3) Obtain a “tax clearance certificate” from the [local government](#) after any personal property tax bills have been paid; and
  - (4) File “Articles of Revival or Reinstatement” with the Department by attaching a copy of the tax clearance certificate. Instructions and a form for reinstatement can be downloaded from the Department’s website by clicking on “[Forms and Applications](#)” on the dark blue banner near the top of the page.
- Any business entity that needs to correct its “forfeited” legal status immediately may come to the Department’s Corporate Charter public filing counter on the 8<sup>th</sup> floor of our offices at 301 West Preston Street, Baltimore, Maryland 21201. There is an additional \$50 “expedited filing fee” required under the law for immediate processing service. If the missing Personal Property Returns have been filed and a tax clearance certificate has already been obtained, then one can “fax” into the Department’s Charter unit the reinstatement document, the clearance certificate, the Articles of Revival or Reinstatement, and credit card authorization for a \$150 fee (\$100 for the Articles and \$50 for the expedited fee). A Charter fax cover sheet requesting the necessary information is available online at <http://www.dat.state.md.us/sdatweb/charterfax.pdf>